

BUDGET, FINANCE & INVESTMENT COMMITTEE

December 8, 2016

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Rhonda Allen
Comm. Charlie Baum
Comm. Joe Frank Jernigan
Comm. Shawn Kaplan
Comm. Robert Peay
Comm. Doug Shafer
Comm. Will Jordan, Chair

Others Present:

Ernest Burgess
Lisa Nolen
Mark Tucker
Melissa Street
Jeff Sandvig
Alan Farley
Mike Nunley

Tony Kinkel
Alden Davenport
Rosemary Faulk
Keith Lowery
Dana Garrett
Don Odom
Lynn Duke

Katie Peay

Chairman Jordan presided and called the meeting to order at 5:30 P.M. with all members present.

APPROVE MINUTES:

Comm. Shafer moved, seconded by Comm. Jernigan to approve the minutes of the November 10, 2016 Budget Committee meeting as presented.

The motion passed unanimously by acclamation.

CONTRIBUTION TO MOTLOW STATE COMMUNITY COLLEGE:

Tony Kinkel, President of Motlow State Community College, addressed the committee requesting funding for construction of Building #3 on the Smyrna campus which will be 78,000 square feet and is currently the number one priority of the State Board of Regents. The State will pay 90% of the construction cost but the school must raise 10%. He reviewed a presentation that was prepared for the committee explaining the impact of the Tennessee Promise program on enrollment growth and the potential positive economic impact of the addition of another building on the community.

Comm. Baum stated that he would encourage the State to fund 100% of the projects since there is a large surplus of funds in their budget.

The request from Motlow is for \$200,000 in 2018 and \$200,000 in 2019, which is 1.5% of the total cost of \$27,100,000. The Health and Education Committee recommended funding of \$271,000 over a two-year period or \$135,500 per year.

Comm. Allen stated that she would like to see the County contribute at least \$400,000 over a three year period.

Comm. Jordan stated that he could not vote for a contribution over three years that binds another Commission since the election will be in two years.

Comm. Allen moved, seconded by Comm. Baum to approve a contribution to Motlow State Community College in the amount of \$135,000 per year for three years beginning with fiscal year 2018.

The motion passed by roll call vote with Comm. Jordan voting “no”.

INVESTMENT REPORT:

Lisa Nolen presented the monthly Investment Report for the Trustee noting that there was one CD bid in November at a rate of 0.85% for one year. The LGIP interest rate for the month of November increased to 0.37%.

Comm. Peay moved, seconded by Comm. Jernigan to approve the Investment Report as presented.

The motion passed unanimously by acclamation.

FUND CONDITION REPORT:

Lisa Nolen, Finance Director, presented the monthly Fund Condition Report for November, 2016 for the use and information of the committee. The Development Tax collections for the month of November totaled \$528,000 with the year-to-date collections being \$2,587,500. This compared to the previous year when the monthly Development Tax collections were \$597,750, and the year-to-date collections were \$2,815,500. She made the committee aware that the current year collections exceed the budget estimate by \$87,500.

The committee reviewed the fund cash balances for November totaling \$255,099,071 with operating funds being \$150,406,022 and borrowed funds being \$104,693,049. This compared to the same period last year when the total cash balances were \$177,509,445 with operating funds being \$144,822,302 and borrowed funds being \$32,687,143.

The Finance Director next reviewed the revenue collections advising that collections are comparable to the prior years at this point in the year. She noted that hotel/motel tax is 32% of the budget estimate and fines and fees are down slightly compared to collections at this time in prior years. She also noted the sales tax collections were up 14.44% in the rural area and up 9.39% countywide over the previous year.

Following review, Comm. Jernigan moved, seconded by Comm. Baum to approve the Fund Condition Report as presented.

The motion passed unanimously by roll call vote.

RISK MANAGEMENT:

Alden Davenport, with Willis Towers Watson, presented the monthly report for November for Fund 264. He stated the revenue for the month was \$5,952,103 and the expense for the month was \$5,076,109. The fiscal year-to-date revenue was \$20,499,926 and the fiscal year-to-date expense was \$28,793,831. This compared to the prior year fiscal year-to-date revenue of \$20,669,319 and the prior fiscal year-to-date expense of \$27,937,955.

Melissa Street presented the Work Injury Fund performance with year-to-date claims for November totaling \$274,982.99 compared to \$272,995.26 for the prior year.

Following review, Comm. Peay moved, seconded by Comm. Jernigan to approve the Risk Management Financial Report as presented.

The motion passed unanimously by acclamation.

DRUG COURT:

Lisa Nolen presented a General Fund budget transfer for Drug Court to reflect the changes approved by the State for the grant budget into the Drug Court budget:

| | | |
|-------------------|---|---------|
| Increase Expend.: | 101-53330-524-DRCT In-Service Staff Development | \$1,954 |
| Decrease Expend.: | 101-53330-499 Other Supp. & Mat. | \$1,954 |

Comm. Kaplan moved, seconded by Comm. Allen to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

ELECTION COMMISSION:

Alan Farley presented a General Fund budget transfer to fund the additional amount needed for overages in the election worker line item:

| | | |
|-------------------|------------------------------------|----------|
| Increase Expend.: | 101-51500-193 Election Workers | \$23,000 |
| Decrease Expend.: | 101-51500-187 Overtime Pay | \$9,000 |
| | 101-51500-189 Other Salary & Wages | \$14,000 |

Comm. Allen moved, seconded by Comm. Kaplan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

GENERAL PURPOSE SCHOOL FUND:

Don Odom presented a General Purpose School Fund budget amendment. It amends the 2016/17 budget by \$123,926 in 2015/16 donations from unassigned fund balance, \$66,812 from unassigned fund balance, in order to fund the balance of a liquidated 2015/16 cabling purchase order for John Coleman School, \$103,015 in new revenues, and the \$293,753 in expenditures that match the intent of the donations, liquidated purchase order, or new revenues.

Comm. Allen moved, seconded by Comm. Jernigan to approve the budget amendment as presented.

The motion passed unanimously by roll call vote.

CENTRALIZED CAFETERIA FUND:

Don Odom presented a resolution for Centralized Cafeteria to increase the cash on hand at John Coleman Elementary to \$80 due to the additional serving line in the new cafeteria for a total of \$11,880 for all schools. The resolution also allows for an increase for each school by \$100 in the month of November to provide additional change funds during holiday meals when more visitors purchase meals.

Comm. Kaplan moved, seconded by Comm. Peay to approve the resolution as presented.

The motion passed unanimously by roll call vote.

AMBULANCE SERVICE:

Mike Nunley presented an Ambulance Fund budget transfer to fund additional overtime pay due to high employee turnover and employees on FMLA:

| | | |
|-------------------|------------------------------------|-----------|
| Increase Expend.: | 118-55130-187 Overtime Pay | \$200,000 |
| Decrease Expend.: | 118-55130-133 Paraprofessional Pay | \$200,000 |

Comm. Shafer moved, seconded by Comm. Jernigan to approve the budget transfer as presented.

The motion passed unanimously by roll call vote.

HEALTH:

Dana Garrett presented a General Fund budget amendment to recognize the third year of funds from the State tobacco settlement:

| | | |
|-------------------|--|----------|
| Increase Revenue: | 101-46390 Other Health & Welfare Grant | \$93,301 |
| Increase Expend.: | 101-55170-310 Cont. w/Other Agency | \$4,359 |
| | 101-55170-355 Travel | \$2,391 |
| | 101-55170-499 Other Supp. & Mat. | \$8,298 |
| | 101-55170-599 Other Charges | \$78,253 |

Comm. Kaplan moved, seconded by Comm. Allen to approve the budget amendment as presented.

The motion passed unanimously by roll call vote.

JUVENILE DETENTION:

Lynn Duke presented a resolution to accept the 2016-17 Title I grant in the amount of \$124,246, with no matching funds required, and a General Fund budget amendment to recognize funds awarded for the Title I program that were not already included in the budget and to appropriate the funds:

| | | | |
|-------------------|---------------|------------------------|----------|
| Increase Revenue: | 101-47141 | Title I Grants | \$20,020 |
| Increase Expend.: | 101-54240-169 | Part-Time Personnel | \$11,431 |
| | 101-54240-201 | Social Security | \$710 |
| | 101-54240-212 | Employer Medicare | \$170 |
| | 101-54240-336 | M & R-Equipment | \$3,000 |
| | 101-54240-429 | Instructional Supplies | \$1,201 |
| | 101-54240-499 | Other Supp. & Mat. | \$2,508 |
| | 101-54240-599 | Other Charges | \$1,000 |

Comm. Peay moved, seconded by Comm. Shafer to approve the resolution to accept the grant and to approve the budget amendment as presented.

The motion passed unanimously by roll call vote.

SHERIFF'S OFFICE:

Rosemary Faulk and Keith Lowery presented a General Fund budget amendment and transfer:

To recognize funds from insurance recovery into motor vehicles:

| | | | |
|-------------------|---------------|------------------------|---------|
| Increase Revenue: | 101-49700- | -RCSO Insurance Recov. | \$9,255 |
| Increase Expend.: | 101-54110-718 | Motor Vehicles | \$9,255 |

To transfer funds for extraditions:

| | | | |
|-------------------|---------------|------------------------------------|----------|
| Decrease Expend.: | 101-54210-790 | Other Equipment | \$10,000 |
| Increase Expend.: | 101-54210-354 | Transportation Other Than Students | \$10,000 |

Comm. Shafer moved, seconded by Comm. Allen to approve the budget amendment and transfer as presented.

The motion passed unanimously by roll call vote.

GENERAL SESSIONS:

Lisa Nolen presented a General Fund budget amendment for General Sessions to provide sufficient funds to pay salaries for the remainder of the fiscal year for a TAC trained officer. This position is at a higher pay grade than was initially budgeted:

| | | | |
|-------------------|---------------|----------------------|---------|
| Decrease: | 101-39000 | Unassign. Fund Bal. | \$1,430 |
| Increase Expend.: | 101-53300-189 | Other Salary & Wages | \$1,200 |
| | 101-53300-201 | Social Security | \$75 |
| | 101-53300-204 | Pensions | \$130 |
| | 101-53300-209 | Disability Insurance | \$5 |
| | 101-53300-212 | Employer Medicare | \$20 |

Comm. Kaplan moved, seconded by Comm. Allen to approve the budget amendment as presented.

The motion passed unanimously by roll call vote.

STORM WATER:

Katie Peay presented a resolution for authorization to apply for a grant from Walmart for the Project Wet program to purchase educational literature, field guides, magnifying glasses and

binoculars. The grant request will be in the amount of \$1,750 and does not require any matching funds. The resolution also authorizes the Mayor to accept the grant subject to it being awarded.

Comm. Allen moved, seconded by Comm. Kaplan to approve the resolution as presented.

The motion passed unanimously by roll call vote.

PRESENTATION OF 2017-18 BUDGET CALENDAR AND SCHEDULE:

The proposed 2017-18 Budget Calendar and Schedule were presented for approval. Comm. Peay recommended changing the County Commission date from Monday, June 26 to Tuesday June 27, 2017.

The calendar calls for the budget forms to be distributed to the departments by January 11, 2017. The calendar calls for the regular Health & Education Committee meeting on May 23, 2017 to be a joint meeting with the Budget Committee to review the School Board budgets. The Budget Committee will meet on May 24, 2017 to review the School Board budgets with a proposal on the entire budget for publication being made at a meeting on June 1, 2017. The proposed recommended budget would be published in the newspaper on Monday, June 12, 2017. The public hearing on the budget is scheduled for June 13, 2017. The County Commission meeting to adopt the budget is scheduled for June 27, 2017 at 9:00 A.M, as amended.

The schedule calls for the committee to meet with individual departments on May 9, May 16 and May 18, 2017.

Following review, Comm. Allen moved, seconded by Comm. Peay to approve the proposed 2017-18 budget calendar and schedule as amended.

The motion passed unanimously by acclamation.

ADJOURNMENT:

There being no further business to be presented, Chairman Jordan declared the meeting adjourned at 6:36 P.M.

Mark Tucker, Secretary